

REQUEST FOR PROPOSAL

Addendum # 2



Department Of Executive Services
Finance and Business Operations Division
Procurement and Contract Services Section
206-684-1681 TTY RELAY: 711

ADDENDUM DATE: September 1, 2005

RFP Title: **King County Medical and RX Programs**

RFP Number: **05-007OB**

Due Date/Time: **September 13, 2005- 2:00 P.M.**

Buyer: **Ovita Bonadie, ovita.bonadie@metrokc.gov, 206-684-1055**

This Request for Proposal Addendum will be provided in alternative formats such as Braille, large print, audiocassette or computer disk for individuals with disabilities upon request.

To Prospective Proposers Request for Proposals 05-006 and 05-007 Questions and Answers

1. **Question:** Please confirm that a separate pharmacy SPD is currently and will continue to be produced twice every three years.

Answer: There is one SPD that includes medical and pharmacy. It will be produced twice every three years.
2. **Question:** Please provide more information about the Patient Self Management Program referenced on page 67 of the RFP.

Answer: There is a footnote on the bottom of the page that indicates that information about this program can be found through the American Pharmaceutical Association Foundation.
3. **Question:** On Exhibit B - "Other OP Services" tab, it is uncertain that we can break the OP hospital services into the specific service categories listed. The levels 1 through 8 do not correspond to revenue codes. Would it be possible to provide a single category for OP services?

Answer: It is our preference that you report the pre- and post-discounted charges for the sub-categories requested under OP services. However, if you are unable to find a way to do so, you can report on those services on a combined basis.
4. **Question:** On page 62, fourth paragraph, could you please define "disability programs."

Answer: When the RFP refers to Disability Programs, it is referring to short-term and long-term disability insurance coverages.
5. **Question:** The Exhibit A that was provided to our team is blank. Could you provide us with the top 200 drugs utilized by King County so that we could perform the analysis based on King County's Top 200 generics?

Answer: Vendors are to utilize the claims data provided by the county to identify the County's top 200 generic drug utilization by prescription volume during that time period. Vendors will then utilize that data to complete the Exhibit A which requires vendors to indicate their MAC prices for each generic of the 200 drugs listed.

6. **Question:** The Service dates requested in the RFP (8/1/04-7/31/05) will result in reporting immature data (as we are not able to take into account the claim lag period of 3 months). Is the intent within the request to pull the information by paid dates or can we provide 12 months of mature data by pulling the information using service dates from 6/1/04 through 5/31/05 with paid dates of 6/1/04 through 7/31/05?
- Answer:** The expectation is that the time period would be on a paid claims basis. Using a paid range of 8/1/04 through 7/31/05 is acceptable.
7. **Question:** Section 7.2 of the RFP says there are 13,000 eligible employees with 25,000 dependents, giving a total of 38,000 lives. Appendix B says there are approximately 10,300 contract holders and 15,400 dependents, and the census file has about 10,300 lines. Please confirm the number of employees and lives in the program that is covered in this RFP, and that the claims information provided with the RFP is complete for those lives and only those lives.
- Answer:** Approximate totals for King County as a whole are 13,000 employees, 19,500 dependents, 32,500 members. Approximate totals for Aetna programs (does not include HMO participants) are 10,300 employees, 15,400 dependents, 25,700 members.
8. **Question:** For question #14, Are you referring to the generic discount rate rather than the generic dispensing rate?
- Answer:** The intent was to refer to the discount as opposed to the dispensing rate.
9. **Question:** Please clarify what is meant by question #189.
- Answer:** If King County opts not to implement any formulary management programs, (e.g. therapeutic switching, lettering to the member) will the vendor still provide the guaranteed rebates?
10. **Question:** Who is the incumbent for the pharmacy program?
- Answer:** Caremark
11. **Question:** Will the county consider an alternative plan design for the next benefit plan year?
- Answer:** King County is not considering prescription drug plan design changes for the next benefit plan year.
12. **Question:** Is there a separate RFP out currently for a Health Assessment and Lifestyle modification program?
- Answer:** Yes
13. **Question:** If you currently use a Health Assessment vendor for your Healthy Incentives program, what is the name of the vendor?
- Answer:** Harris Health Trends has been selected as the vendor to provide HRA services beginning 1/1/2006.
14. **Question:** How do you want the Health Assessment vendor to integrate with Care and Disease Management?
- Answer:** King County is still working out how they will want Harris and the Care and Disease Management vendor to integrate. They are interested in understanding the capabilities that a vendor has for integration, but might ultimately choose not to integrate the data.

15. *Question:* Would King County be interested in the medical carrier providing the HRA screening tool and targeted behavioral modification programs? If so, what percentage of the population will need paper based health assessments?
- Answer:** No, not at this time.
16. *Question:* Do you currently provide disease management services through an external DM vendor, other than your medical carrier? If so, can we know who that is please? Would you consider keeping this vendor and having the care management company integrate with them?
- Answer:** Disease Management Programs are currently provided by the medical carrier.
17. *Question:* Do you currently offer population-based disease management programs, if so, for which conditions? Which conditions are you most interested in?
- Answer:** King County currently has Disease Management Programs for 3 populations: Coronary Artery Disease, Congestive Heart Failure and Diabetes.
18. *Question:* Is King County most interested in an integrated case and disease management approach or a traditional population-based disease management approach?
- Answer:** King County is interested in a traditional population-based disease management approach that is integrated with case management.
19. *Question:* It appears that during the 2006 plan year, credits will be awarded for each participant to determine what level of Out-of-Pocket they will have (Bronze, Silver or Gold) for the 2007 plan year. Is there a cut off date during 2006 to which the participants will need to qualify for tiering for 2007?
- Answer:** Yes—6/30/2006.
20. *Question:* The contract is for 3 years, with the possibility of a 2 year extension. Would you like to see five-year fee projections?
- Answer:** Yes
21. *Question:* Can we get a description of the format of the King County-generated alternative ID cards, to confirm compliance?
- Answer:** The field length is 9 characters. The card itself must allow for the King County name, crown logo, and the KingCare plan and level (Gold, Silver, Bronze).
22. *Question:* Employee satisfaction surveys to King County participants – Are you asking the vendor to create the survey or administer the survey, or both?
- Answer:** Both
23. *Question:* Can you provide elaboration on the co-branded website and what is being requested?
- Answer:** A co-branded website would have King County's logo.
24. *Question:* As a privately held company, our audited financial statements are considered confidential and are not published or provided to clients. We make available several professional resources that can answer the majority of questions or provide limited information that has satisfied our current clients and other prospective clients. We are hopeful that this will be viewed as a satisfactory response to the RFP. An alternative would be to designate such information as confidential and not to be disclosed beyond the RFP document. It would be our intent to provide sufficient information to validate our

financial stability to King County's satisfaction. Would this approach suffice, or would not providing complete audited financial statements eliminate us from consideration?

Answer: The Contractor shall mark any documentation it considers proprietary or confidential accordingly. Such information will be treated as such by King County; however, the County cannot ensure that this information will not be subject to release pursuant to a public disclosure request. In the event the County receives a request for such information, the County will immediately advise the Contractor and will not release the requested information for a period of not less than ten (10) days in order to give the Contractor an opportunity to obtain a court order prohibiting the release of the information in response to the public disclosure request.

25. *Question:* If the primary contractor sub-contracts limited work, is the sub-contractor obligated to the same requirements and guidelines noted for the primary contractor?

Answer: King County expects full compliance with all contract requirements no matter who performs the work.

26. *Question:* Is co-bidding allowed? For instance, would it be permissible to submit a joint bid with a qualified PPO network provider?

Answer: King County will accept bids from vendors that subcontract out services provided there is a single source contract and all Health Information Portability and Accountability Act (HIPAA) requirements for Business Associates Agreements are in place.

27. *Question:* We have several aspects of our web-portal available for review. However, we are in a major revamping project that will provide additional functionality within our website. These changes are anticipated to be operational in 2006. The RFP requests twelve test user names and passwords to be established. Is it permissible to provide a review or test access to the current site(s), with the understanding that substantial changes will be incorporated in the next 6 to 12 months?

Answer: Yes

28. *Question:* We are not an insurance carrier and do not have established reserve accounts for claims payment. Our typical arrangements include processing benefit claims from the client's own benefit claims bank account. The RFP mentions that King County will provide a once-a-month reimbursement for claims processed. Is it permissible to recommend our typical arrangement in our response or to have King County provide one month's reserve into the claims account prior to commencing our agreement?

Answer: Yes

29. *Question:* We noticed that the RFP specifically notes that reimbursement of flu shots is outside the normal medical plan coverage. Is there a specific reason for this exclusion?

Answer: Flu shots are not outside the normal medical plan coverage. King County wants to provide flu shots on-site and have the vendor process the claims. This does not exclude a member from getting a flu shot at a doctor office and having the plan reimburse the expense.

30. *Question:* Based upon the information provided at the bidders' conference, it is assumed that an outside agency will provide the Health Assessments annually and will assign each King County employee to the proper plan. Is that a correct assumption?

Answer: Yes

31. **Question:** We understand that King County is going to use PeopleSoft for plan enrollment. Can we, therefore, assume that as the claims payer, we would receive updated enrollment information from PeopleSoft on a regular basis?
- Answer:** Yes, on a weekly basis.
32. **Question:** Does question 18 refer only to SPDs or would this apply to other member communications such as letters automatically generated from our claims system or standard forms such as claims forms or enrollment applications? What other communications materials could this include? Can you give us some examples?
- Answer:** This question only refers to SPDs. King County does sometimes request the ability to customize other member communications for the purpose of branding, etc. However, this particular question refers to SPDs only and the goal is provide a SPD that members understand and is consistent between vendors.
33. **Question:** We understand the term “online” to mean Web based, is this true?
- Answer:** Yes
34. **Question:** Would King County arrange for the vendor to provide flu shots, and then the health plan or TPA would process the claims for these flu shots? Or, does the program include that we would locate a vendor to provide the flu shots, manage the program, and ensure that the claims are paid?
- Answer:** King County is interested in both options. However, this question specifically only requests the vendor process claims for on-site flu shots.
35. **Question:** Does the use of our HPP network mean, how do we indicate on the ID card that a member has selected the HPP network? Can you clarify if this is not the correct interpretation?
- Answer:** Yes, with one clarification. How do you indicate on the ID card that a member is eligible for the HPP network vs. selecting the HPP network?
36. **Question:** We may have our own vendors for certain programs; however in the beginning of the RFP it states that King County has vendor relationships with Health Risk Assessment vendor and prescription drug vendor (19 g). The question asks for capability to integrate then asks for the number of clients. Are we answering the question: Can we integrate or Have we integrated (i.e., # clients)?
- Answer:** Both
37. **Question:** Are clients the number of groups we do this for, or the number of vendors we do this with?
- Answer:** Clients are the number of groups.
38. **Question:** Do you want our experience or our capability?
- Answer:** Both your experience and your capability.
39. **Question:** Would you like us to provide counts for naturopaths specific to NDs or would you like us to include other alternative providers such as Chiropractors, Acupuncturists, etc.
- Answer:** Naturopaths specific to NDs.

40. **Question:** How do you define Behavioral health providers? Here is how we define them. Will this work for your GeoAccess request, or should we go off the list from question 215?

- Psychiatrists
- Psychologists
- Social Workers
- Psychiatric Registered Nurses
- Other Behavioral Health Therapists

Answer: Please use the list from question 215.

41. **Question:** How do you define acute care facilities?

Answer: Inpatient facilities.

42. **Question:** What does Shared Savings Arrangement mean as indicated in Exhibit A?

Answer: It means an arrangement that is in place for areas outside of your standard network for which your organization has discounts. These arrangements are generally charged by the vendor on a percentage of the savings realized.

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME